1	14-21 - INFORMATION & SCOPING MEETING - LITTLEFORK		
2	JULY 17, 2014 - 11:00 A.M.		
3	FOR THE MINNESOTA PUBLIC UTILITIES COMMISSION,		
4	MINNESOTA DEPARTMENT OF COMMERCE,		
5	U.S. DEPARTMENT OF ENERGY		
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8	In the Matter of the Application of Minnesota Power for a		
9	Route Permit for the Great Northern High-Voltage Transmission Line Project from Manitoba, Canada - Minnesota Border to the Blackberry Substation near Grand Rapids, Minnesota		
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11	PUC DOCKET NO. E-015/TL-14-21		
12	FUC DUCKET NO. E-015/1L-14-21		
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15	Littlefork Community Center		
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25	COURT REPORTER: Janet Shaddix Elling, RPR		

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MS. TRACY SMETANA: Good morning, everyone, and thank you for coming.

My name is Tracy Smetana, I'm the public advisor with the Minnesota Public Utilities Commission.

As you can see on the screen and you received in the notice or read in the newspaper, we're here for a public information and scoping meeting for the Great Northern Transmission Line Project.

On this opening slide I've also included the Public Utilities Commission's docket number. That's sort of the key to finding anything with the Commission, is that docket number. So you'll see me refer to that quite frequently as we go through the presentation.

Briefly, the agenda. First we're going to talk about the route permit roles and process. I'll be doing some of that and we also have Julie Smith here from the U.S. Department of Energy to talk about their role. We'll ask Minnesota Power to provide us with a brief summary of the project. And then the environmental review portion will be handled by the Department of Commerce and, again, the Department of Energy. And then finally the main

event, which is your comments and questions.

So, first off, I'd like to start with who is the Public Utilities Commission anyway. Because I'm guessing for a lot of folks you haven't interacted with us in the past. I know until I applied for a job with the Public Utilities

Commission I didn't know such a thing existed. So I always like to give you a little bit of background on who we are and what we do.

We regulate permitting for power plants, transmission lines, pipelines, other energy facilities. We deal with local and in-state long-distance telephone companies. We also deal with investor-owned electric and natural gas utilities, their rates and services.

We have five commissioners appointed by the governor and they serve staggered terms, so it's not like some of the other state agencies where when we get a new governor we get a whole new batch of commissioners, ours are serving staggered terms so they don't all come in and go out at the same time. They are also full-time employees at the Commission. So quite different from, say, a county commissioner or small-town city council person where they come to a couple meetings a month and that's the extent of

their responsibilities, this is full-time employment for our commissioners. And then we have about 50 staff, so we're a pretty small agency.

A little more on who's who in this process. If you follow this process from start to finish there will be a variety of folks that you might interact with. First off is the applicant. That's the term we use to describe the company asking for the route permit, so in this case that's Minnesota Power. We also have the Department of Commerce, another state agency, the Energy Environmental Review and Analysis Group. Most of you met Bill on the way in and that's his department. They're a state agency and they will conduct the environmental review for this project.

Later on in the process we will have the Office of Administrative Hearings get involved. They're another state agency. And we'll have an administrative law judge, you might see that abbreviated as ALJ, hold hearings, both public hearings back up in this area when we get further along in the process, and they will also hold what we call an evidentiary hearing, where it's sort of like a court situation. Open to the public, but typically it's the lawyers in the room that attend

that. And ultimately what the judge is going to do is collect all the information and all the evidence in this record and write a report that includes some recommendations for the Public Utilities Commission. So the judge's job is sort of fact-finding.

We also have the Department of Energy.

As I mentioned, Julie Smith is here, she's with the Office of Electricity Delivery and Energy Reliability, kind of a mouthful. And their job is to lead the environmental, historic and cultural resource reviews in consultation when there's a presidential permit application.

And as I mentioned, the Public Utilities Commission, there's a couple folks from our staff that you might interact with throughout this process. The first is our energy facilities planner. Their job is to assist in building the record kind of on the technical side, inform commissioners of impacts of various alternatives that are out there. Neutral person. The Commission, our role is to be neutral. We don't advocate for one side or the other, we're not for the company, we're not for the citizens, we're not for a group of landowners, we're not for any particular interests. Our job is to be neutral and

review the facts and make decisions accordingly.

We also have the public advisor, as I mentioned, that's me. My job is to work with folks and help you figure out, how does this process work, where can I plug in, when should I plug in, what kind of information are you looking for at this stage in the process. My job is not to give legal advice, my job is not to advocate for one position or another, it's simply to provide the facts and help you along.

So why is the Public Utilities Commission involved in this particular project? Well, in this case the law says this is a high-voltage transmission line because of its capacity and its length, as listed here. And so if it meets those criteria, then the state says, hey, you need a route permit from the Minnesota Public Utilities

Commission. And I've referred to the statutes and rules that describe this in more detail, if you're looking for some really good bedtime reading you can look that up.

Now, the other piece of this puzzle is the certificate of need. And that answers the question is the project needed. In this particular case, the company does also need a certificate of

need from the Commission before they can build this project. And this is being handled in a separate process. Some of you may have remembered or may have been at some meetings that we held back in February, and that was regarding the certificate of need question, answering that question is the project needed. So we're not going to focus on that today.

Our focus today is the route permit, the other side of the question, if it's needed, where is it going to go. But, again, I just wanted to provide some information on the certificate of need so you know there's another piece to this process.

So how in the world does the Commission decide if it's needed where is it going to go? So the statutes and rules give us some guidance on the factors that the Commission needs to look at and consider. What it doesn't do is rank them. And so that's what the debate is going to be about throughout this process. Some people are going to say, well, you know, human settlement is clearly the most important thing, avoid that no matter what.

Some people might say, well, the economy is a really big deal, avoid agriculture, forestry, mining, you know, avoid those at all costs. And so that's what

the debate will be about throughout this project.

These are just some of the items that the Commission is required to consider as part of the process.

And, again, some more of those factors.

Allow for future expansion, use of existing rights-of-way when that makes sense or is possible. Using natural boundaries when they make sense. Reliability of the electrical system, you know, we all want to make sure when we flip that switch the lights go on, and so we want to consider that as part of the process. And also the cost.

So some other terms that you might hear in terms of the route permit. So when we get to the end of this process, if the Commission does indeed grant a route permit for this project, some of the terms you'll see are these.

First is the permitted route. And that's just sort of the location from point A to point B of where the thing is going to go. And the route width is going to vary quite a bit along that route. It could be up to one and a quarter miles that they're permitted. And so you might say, well, what in the world, they don't need that much space to build this, why are we looking at one and a quarter miles? And the reason that that flexibility is allowed is

so the company can work with landowners and be flexible. Or when they get out in the field and they find an obstacle that they just didn't know about until they were standing right there, they have the flexibility to try and avoid that and work around it.

Now, as we go down this page we're going to get narrower and narrower. So you can see the next one is right-of-way and that's the actual amount of land that's needed within that route, so we've got the big route and we get down to the right-of-way, the actual amount that they need to construct, to maintain, and operate that line.

And then we get narrower still into that anticipated alignment. And that's the spot where the company thinks the line is actually going to be built.

I know some of you grabbed a handout on the way in that was a fact sheet about rights-of-way and easements. This is a little snippet of the information that you'll find in that handout. I would definitely recommend that if you have questions or concerns. As I mentioned earlier on, I don't give legal advice and I'm not an advocate, so I'm just here to kind of give you an introduction to

these terms and these topics and where you can find more information.

So first off is the easement. That would be the negotiation between the company and the landowner in terms of where this line might go on your property.

In this particular case, Minnesota statutes do allow the company to use the power of eminent domain to take land if you can't come to an agreement. And in that case it would move into the courts to make that decision on how that process is handled, in terms of instead of being just negotiated between the company and the landowner.

In this case there's also some option for what you may have heard of as Buy the Farm. There's a law that says in some cases the landowner can require the applicant or the company to purchase the property. And there's some specific circumstances where that fits. And, again, I'm not an attorney, I'm not giving legal advice, I just want to point out that these things exist out there and there's some places where you can get more information if you have questions along those lines.

So this is sort of a high level overview of what the process looks like. And you can see the

second box on here, public information and scoping, that's where we are today. So you can see we're pretty early on in the process. This first box that says application accepted, that just means the company provided all the information we need to start our review process. It doesn't mean we think it's a great idea and we're going to say, yep, go ahead and build this thing. All it says is all the information is there to move to the next step. So I know that term accepted is a little deceiving.

From there we're going to move over into the Department of Commerce's area of expertise so I'll let Bill talk about that in his presentation, how that environmental impact statement process works.

And then once the draft environmental impact statement is published, we move into the public hearings. And that's when that judge will come out back into the area of where the proposed route is going to be to get some feedback from folks on where things are at on the project. The judge will hold evidentiary hearings and, again, ultimately write that report and we get down to the decision point. And I know that it's cut off on the bottom a little bit there, but if you have the

handout in front of you, you can see the process takes, from accepted to decision, roughly 15 to 18 months. So you can see we're very early on and we have a ways to go and it's a lengthy process.

If you like a list better than a picture, this gives essentially the same information but includes the timelines so you can kind of see what happens next. And you can see at this point we're projecting a decision in October of 2015. So, like I said, we have a ways to go.

So one of the things that we do along the way is we ask questions and we seek your input on various things. That's why we're here today, to get answers to some questions that we have. And I just wanted to give you a sample of a notice that the Commission publishes when we are looking for information. And you can see this is an old one from back in April, but I just wanted to use it to illustrate some points about our notices.

So first off you see here's that docket number again, right. That's the key to everything that we do. So if you're communicating with us about the project, including this docket number is extremely helpful.

Then you'll also see some dates in there.

We have some deadlines because we have to keep the process moving along. So we have some deadlines of when these comments need to be in to our office.

And then you'll also see we identify some specific topics. So back in April and May we were wondering, does the application contain the information we need and should we have a task force, okay. So if you send us comments about these questions today, we've already moved on, so it's not really that helpful. And so that's why I'm saying it's really important to look at what are the topics that we're asking about today so that you can answer the questions that we're looking for right now.

So you might be thinking, hey, this is really great stuff, how can I learn more, I want to know more about this. Or I'm just jumping in now and I might have missed something before. We do have what we call an eDocket system where everything that happens in this case is filed electronically. And it's out there on the Internet for folks to see if you have an interest in reading that. You can just follow these steps right from our website. And, again, that docket number is the key, and so you can see I've listed the docket numbers for both the route permit, which we're talking about today,

and the certificate of need, which is kind of on a separate track but of course is related to this process. So you can see 14 is the year and 21 is the number for the route permit, and 12 is the year and 1163 is the number for the certificate of need.

We also have a project mailing list and I know many of you are already on it or you gave me one of these orange cards on the way in. If you want to stay informed on opportunities to participate, whether it be a comment period, future meetings, those types of things, when the environmental document is available, you would definitely want to sign up for this project mailing list. And you can receive information by U.S. mail or by e-mail on this list.

Now, if you say, hmm, that project list sounds great, but I want to know everything, I don't want to miss a thing. We do have an e-mail subscription service, where you can go in yourself to our website and say, hey, I want to get everything about this particular docket. It will result in a lot of e-mails, so if you're not a super e-mail fan this probably isn't your deal. And you can also unsubscribe if you say, whoa, whoa, this is way too much, you can just go back and

unsubscribe from it, too. But then you'll get an e-mail every time something new comes in. And often people say, you know, that subscribing thing isn't very user-friendly, so I always like to give you a picture of what that screen looks like, so when you get there you can say, oh, here's what I put in, here's what I put in there, here's what I put in there, to make sure that you know what you're doing. And if you have further questions after

And if you have further questions after today, there are two folks, as I mentioned, with the PUC that can help you with that. The first is me, I'm the public advisor. Again, my name is Tracy. We also have an energy facilities planner and that is Michael Kaluzniak, and he is here today in the back in the green shirt. So if you have questions of a more technical nature, he's certainly happy to stick around and answer those for you.

And, with that, I'm going to turn it over to Julie Ann Smith with the Department of Energy.

DR. JULIE ANN SMITH: Thank you. I'll get my script here.

Good morning, everyone. My name is Julie
Ann Smith, I work for the United States Department
of Energy and I'm with the Office of Electricity
Delivery and Energy Reliability.

I want to express my sincere thanks for you all taking time out of your busy schedules to be here with us today and attend this meeting. Your presence and input are vital and important, vitally important to a robust public participation process.

This is a scoping meeting, which is all about me, or DOE, listening to you and what you have to say about the Great Northern Transmission Line Project. The Department of Energy needs to hear what issues you think we should consider when we conduct our environmental analysis.

The reason we are here is that Minnesota Power is proposing to construct the Great Northern Transmission Line, or Great Northern, as an international transmission line, and has asked the Department of Energy for a permit to cross the U.S./Canadian border. Minnesota Power submitted its presidential permit application to the Department of Energy in April of 2014.

Before any electric energy transmission facility can be built across the U.S. international border, the project proponent or applicant must obtain a presidential permit from the U.S. DOE. A Department of Energy presidential permit authorizes the company to construct, operate, maintain, and

connect electric transmission facilities at the border.

The Department of Energy is involved in this proceeding for one reason only, the proposed transmission line would cross the international border. If this line did not cross the international border, then I wouldn't be here with you today.

The Department of Energy has no authority to site this line, only the State of Minnesota, specifically the Minnesota PUC has that authority. The DOE does not convey the right of eminent domain with this permit, nor can the DOE address issues of compensation for land that would be impacted by the proposed Great Northern project.

Before the DOE can issue this kind of permit, we must comply with the National Environmental Policy Act, or NEPA. NEPA is the federal law that acts as the nation's basic charter for environmental protection. It requires that all federal agencies consider the potential impacts of their proposed actions. NEPA is based on a set of principles. The first and the most important in what we are engaged in today is full disclosure and public participation in that process. This allows

us to understand the project not only from the project proponent's point of view, but also from your point of view.

We also are required to explore alternatives to what is being proposed by Minnesota Power, so alternatives to the action that we are considering. One of those alternatives that we consider is a no-action alternative, which means that for our purposes the Department of Energy would not issue the presidential permit.

In the alternatives analysis, we have to do this with scientific rigor and with an apples-to-apples kind of comparison approach across all alternatives. We have to consider mitigation or ways to reduce impacts or avoid those impacts altogether. And we have to weigh options and explain decisions.

In the end, NEPA promotes better informed agency decision-making and provides you, the public, with the opportunity to learn about the federal agencies' proposed actions and provide timely information and comment to what it is that federal agencies are proposing to do.

In terms of process, NEPA has the benefit that it provides one process and is an umbrella

statute of sorts. And that it allows agencies and developers to comply with the numerous -- and there are more than this -- environmental, health and safety related laws for which we are responsible for complying with.

We analyze potential effects from federal agency actions to numerous resource types that include not only biological resources, soils resources, but also human-related resources such as environmental justice, health and safety, those types of concerns. And this all happens in one document and, again, at equal weight on those resources.

For this proposed project the DOE has determined that an appropriate level of analysis under NEPA is to be an environmental impact statement, or EIS. An EIS from the federal perspective essentially tells the story of the proposed project. The Great Northern EIS will analyze the foreseeable environmental impacts that might flow from our granting of a presidential permit. The EIS will also identify steps that might be needed to mitigate environmental impacts.

There are other agencies, federal agencies involved in the review of this project.

That would include the U.S. Army Corps of Engineers, St. Paul District, as well as the U.S. Fish and Wildlife Service. They have permitting or oversight authority for proposed facilities within their respective jurisdictions. The U.S. Army Corps of Engineers is already a cooperating agency to the Department of Energy on the preparation of this environmental impact statement, so they are being involved as we go along with this analysis.

Again, we are here to listen to and get your comments and suggestions for the issues that we should be addressing in the EIS. We also would like to know any alternative routes for proposed projects. And Bill Storm will be speaking to those alternative routes or alternative route segment suggestions.

This is an overview of the NEPA process. We are here in the blue circle for scoping. The federal scoping period, as noted in the Federal Register, closes on August 11th. And after that scoping period closes, we will get to work on preparing a draft environmental impact statement. This will take several months for us to do.

Once the draft is completed, it will be posted to our website and distributed to anyone on

the mailing list. So, again, if you want to be on the mailing list, please make sure you sign up if you're not on it already by filling out one of the yellow cards on the table by the door.

When we release the draft environmental impact statement publicly, there will be at least 45 days for a comment period for the public, for you to review that draft environmental impact statement and to submit your comments. During the comment period on the draft EIS you'll be able to submit comments in writing or by e-mail and you will also be able to make oral comments, because we, DOE, myself, will be coming back to Minnesota to hold public hearings to receive those oral comments officially on the draft EIS.

After the close of the comment period on the draft EIS, we will prepare the final EIS. Every comment that we receive from you or from other agencies will be included in the final EIS and we will respond in the document to every comment that we receive.

When the final EIS is completed, it will also be made publicly available. It will be sent to everyone again on the mailing list, it will be available for viewing and downloading on the various

websites.

The law -- by law, the Department of Energy may not make a final decision on the Great Northern Transmission Line presidential permit application until 30 days after the publication of the EIS. It might be longer than that, but at least we have to wait 30 days before we issue what is called a record of decision, which will state whether or not the Department of Energy will issue the presidential permit.

So at the completion of the EIS, the Department of Energy may or may not issue that presidential permit. If the DOE were to issue the presidential permit, the transmission line and associated facilities could not be built unless and until all other state, local, and federal permits are obtained by the company.

As you can see in this meeting, we have a stenographer here to write down accurately what your comments are. Whether you choose to speak or not, you're invited to send us your written comments.

All comments, whether written or oral, are treated with the same weight and they are treated equally in the analysis.

Again, we have a comment period that ends

on August 11th. However, if you submit comments
after that time we normally do consider those to the
extent that we can.

If you have any questions about specifics, you know, design details, more specific questions about the project itself, as you can see we've got lots of help from Minnesota Power, as well as some mapping stations to help answer those questions and to give you some pointed feedback on the information that you're seeking.

And, again, thank you very much for being here, we really look forward to your input. And I'm now going to turn it over to Dave Moeller from Minnesota Power.

Oh, sorry, I would be remiss if I did not mention the -- from the federal EIS website, where everything will be contained, as well as we have the state websites where you can comment and you can find information, this will be the -- this is the address, the link for that website that's sponsored by DOE as well as the Department of Commerce.

MR. DAVID MOELLER: Good morning, or almost good afternoon. My name is David Moeller, I'm an attorney at Minnesota Power in Duluth, Minnesota.

With me are other people from Minnesota

Power and HDR, who is our consultant on this

project, including Jim Atkinson, who is sitting over
there in the yellow, he probably is the person

you've talked to the most about this project, he's

our routing and siting lead for the Great Northern

Transmission Line.

First, as Julie said, we'd also like to thank you for coming out today and participating in this project. It's an important project for Minnesota Power, we see it as not just a transmission line, but a project that will transform our energy supply as we develop this line and develop the hydro energy in Manitoba that comes into the states.

As I said, it is part of a larger plan.

Minnesota Power historically has been a coal-based facility. When I started at the company in 2005 we were about 95 percent coal. Today, thanks to renewable additions we've made out in North Dakota and other places, we're at about 20 percent renewable, 80 percent coal. And our goal long term is to get to a third, a third, a third, meaning a third coal, a third renewables, which includes hydro from Manitoba Hydro, and a third natural gas

purchases. So we're getting there, responding to what's happening at the national level, but also meeting state requirements for meeting more renewable energy.

Besides meeting those needs of diversity, which is the first part up there, it also helps the region, not just Minnesota Power, by developing additional resources that can be used by other utilities and other customers in the area.

We also see a need for increasing demand, particularly on the Iron Range here in Minnesota, with the new mining companies coming in, we want to serve those customers and serve the need, both the generation and the capacity energy resource.

And then we also see the transmission line providing additional reliability for the region and for Minnesota Power customers. Minnesota Power doesn't serve Littlefork, but we do serve I Falls, we serve Duluth, we serve the Iron Range, so we are a utility in the region. But we have needs to make sure our customers have reliability, and another transmission line between Manitoba and Minnesota will increase that reliability for the entire region.

As we developed this project, we went

through various steps to get to where we are today with having a proposal before the Minnesota Public Utilities Commission, an application in to the Department of Energy.

We started by charting what is the critical path for how to get there, what steps do we need to do to develop this project. Second, we revealed where are the fatal flaws, where can't we go, what are other spots we're not allowed to go, where we shouldn't go, and I'll talk about that in a second as well. And we defined what our study area is, you know, to get from Manitoba to Minnesota Power service territory, what is the broadest possible area that we can go to and look at those areas and look at those opportunities.

And then we engaged stakeholders multiple times, which we'll show in a few seconds, a chart of different open houses, including coming to Littlefork here multiple times, as well as engaging agencies and getting their input, from both federal and state agencies. And then determining the range of alternatives, so how can we do this, how can we get the transmission line from the border to ultimately we landed in Blackberry, the Blackberry Substation, which is near Grand Rapids, Minnesota.

And then we applied for permits. On April 15th, 2014, we applied for both the state route permit as well as the federal presidential permit.

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As we were developing these range of alternatives we had to look at different options and different -- both opportunities and constraints. And I apologize, this is very small print, but it's more to convey the message that as we were looking through the different alternatives, there's some opportunities, as Tracy mentioned, following the state policy of existing corridors where possible, other places where it makes sense to route transmission lines. But there are also many constraints to limit the impacts on the environment and limit the impact on homeowners and landowners, and then other features that are constraints that we find difficult or not good places to route transmission lines.

So as we were developing these alternatives we came and started stakeholder outreach, as I mentioned. As you can see, Littlefork is on every single one of these maps or every single one of these sessions, open house rounds that we did. And as we kept doing more and more studying we would narrow the alternatives by

taking your input, taking the input of agencies, to figure out where corridors are and getting down to even more specific corridors and then ultimately to route alternatives. And then, especially in this area near the border crossing, near Roseau, we did an additional round of meetings to narrow those alternatives even more. In this case, what I call a bypass, to make it even straighter and even limit the impacts more so on homeowners in this area.

And that's when we came up with preferred and alternative routes. Our preferred route is the blue route and our alternative is the orange route. There are additional segments that are not on this map that we proposed, but we still prefer the blue route without the additional segments.

And as we went through the process, the area keeps getting narrower and narrower, starting with the study area of over 19,000 square miles, going down to route options and route alternatives. And then ultimately when we build the project, the right-of-way that we will have to acquire right now for 220 miles of transmission line, there would be a 200-foot right-of-way along the line, which would equal about eight square miles we would have to acquire and use for the transmission line.

This is a brief summary of all the different open houses and other ways we've received input from the public and agencies, you know, comments and online comments from an open house that we did. As well as in February we started the CN process, having scoping meetings for the environmental report for the CN. The closest thing we had to here was in I Falls, we didn't have one in Littlefork, just the way the meetings were spread out, but we did receive input on that. And then Bill Storm will talk about what he's doing for the environmental report for the CN as well.

Then my last slide, besides the route permit and the presidential permit, we have other major permits that we'll have to obtain.

The certificate of need that Tracy mentioned earlier, where the Public Utilities

Commission has to determine there's a need for the project.

The section 404 permit under the Clean Water Act is from the Army Corps of Engineers because there's impacts to wetlands. So we're in the process of putting that application together.

We also need a crossing license or crossing state land license from the Minnesota

Department of Natural Resources. Because a lot of this project crosses state land we'll need a license from the DNR for that.

So, once again, thank you for coming today. We look forward to hearing your comments and appreciate your attention today and throughout all the different open houses and other processes that Minnesota Power has put in place to get input from you.

MR. BILL STORM: Thanks, Dave.

Again, I'd like to thank you all for coming out, as everybody else did. The process doesn't work without people participating.

My name is Bill Storm, I'm from the Department of Commerce. While the PUC are the decision-makers in this process, and their decision for this process, when they get to the end, will be, one, is the environmental impact statement adequate, does it address everything that was in scope and does it address it adequately. Two, should a route permit be granted to Minnesota Power, where should that route go, what should be the route that it should go, and what conditions should be attached to that permit. So the Public Utilities Commission has that final say.

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What the Department of Commerce does is we do the environmental review. And that -- in this case, the environmental review for us begins with a scoping meeting. And Tracy went over the schedule and so did Julie, so real quickly, we're just at the public scoping meetings point. You can see there's many steps in this process, ending with the final decision, and there are starred points that show where the public can participate in the process.

In Minnesota, for a large energy project such as this, there are two environmental review processes that can take place, the alternative process or the full process. This route, because of its size, both in length and in voltage, must go under the full process. And the full process is approximately a 12-month process, plus three months that can be added on the end. But the process includes a public scoping meeting and comment period, and that's what we're here to do tonight, is to get some input from the public. A scoping decision, and what I mean by a scoping decision is a document that shows what will be in the environmental impact statement. And the scoping decision is made by the commissioner of the Department of Commerce, my ultimate boss, I guess.

And you can think of the scoping decision as a table of contents. It'll list out the issues and the areas and the alternatives that will be evaluated in the environmental document.

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And then you have the environmental document, it comes out in draft first, the draft environmental impact statement. When that document comes out, as Julie said, there is a meeting up here, another road show like we're doing this time, where you get to comment then on the draft EIS. you may comment on the draft EIS in many different ways or many different tones. You may comment that, Bill, you missed an issue that I asked you to incorporate that made it in the scope but you didn't discuss it in the EIS so you failed there, it's not adequate. Or, Bill, you did cover the issue I wanted you to cover, but I don't necessarily agree with the way you covered it, I think it needs to be fleshed out more. Or you may make a comment about something that wasn't in scope, you know.

Our responses to that is the final environmental impact statement. The final environmental statement is the draft environmental statement with another volume attached to it that lists everybody's comments, and then our response to

that comment and DOE's response to that comment.

And, as I said, the response may be, wow, that's a very good point made up with new information, please go back and see section 2 and it was rewritten, and that section 2 would be striked out and underlined and bolded so you can see what was changed in the draft document to make it a final document.

So the final EIS is basically the draft EIS, your responses, and our responses and our revisions to the draft EIS as a result of your comments. Once we have all those comments, we get the final in, we can move on to the other process.

I lost my place.

Okay. The scoping of the environmental document. The purpose of the scoping document and the comment period. I'm here to provide an opportunity for the public to learn about the project and also to take input on the project.

The way I want the public to do that is by suggesting alternative routes and suggesting specific concerns or impacts that you may have that you want to make sure I address in the environmental impact statement.

We do have the GIS station set up here if you need help in figuring out alternative routes,

suggestions you want to put on the table, and you certainly can make comments on the issues and concerns that you have for the record that we will consider in the environmental report.

The scoping decision for the environmental report must identify the alternative routes to be addressed in the EIS, the specific impacts to be addressed in the EIS, and also a schedule for the completion of the EIS. So that's what will be in the scoping decision.

A general definition of the environmental impact statement, although Jules gave an adequate one, when we at the state are looking at an environmental impact statement, we are looking at a written document that describes the human and environmental impacts of the transmission line and any selected alternative routes that you may put on the table or that may come up through the process, and methods to mitigate those impacts.

Now, as I said, the main reason I'm here tonight is to solicit what the local citizens feel should be covered in my environmental impact statement. And there are two areas. One is impacts and one is alternatives. And if you looked when you came in, on the table, I made a draft scoping

document that I put out. This draft scoping document sort of explains what environmental review is to you and explains what I think should be in the environmental impact statement.

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If you turn to page 5 and 6 of this document, you can see something that looks like a table of contents. That's basically the scope of the environmental document, of the EIS. And as you see on this generic scope, the categories are very And what I'm asking the local citizens to do is bring forth your knowledge or your concerns to me to make sure that I cover these issues. An example would be, if you look in this table of contents you can see that these are broad categories. natural environment, flora. That's a pretty broad category. Flora, plants, okay. But you may have local knowledge of a plant that you know, that you're concerned about, a plant of special concern or just a plant that you like and you're concerned about its welfare and it's within the route, and you may want to make sure I consider what is going to be the impact to that species of that plant. And in this case you would say, Bill, I want to make sure that you cover the Lapland buttercup. I know in quarter section whatever, whatever, where the route

goes through, I know there's a stand of that there and I'm concerned that this transmission line will impact that. What I want to hear from you is, Bill, cover that, discuss that, flesh it out in the environmental impact statement.

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The next item is a little bit more difficult. This is where I'm asking you to give me alternatives to the proposed routes. And these are usually alternative segments. You may have a concern, when you look at the route and you look at how it crosses your property or crosses your area, and you may have a concern that lies within that 3,000-foot route. And you may believe that the flexibility in putting that alignment, that 200-foot easement that they want within that 3,000 feet, that's not enough flexibility to avoid or mitigate my concern. I think this route is going to impact whatever my concern is, say a stand of old cedar trees or a deer wintering area that you know of that you're a little bit concerned about. And you think the only way to mitigate that, to lessen that impact, is to go around that. And that's what the whole point of seeking alternative route segments I'm asking you to, if you have that issue and you think the appropriate way to mitigate that issue is to avoid it, I want you to give me a route alternative that would avoid that so I can carry that through and evaluate it in the environmental impact statement.

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Now, the bar for that is set kind of high in the statutes and the rules. If you want to put an alternative route on the table, you must do two One, you must explain why you want this things. route to be included in the EIS evaluation. what that boils down to is what are you trying to mitigate. Is there a unique feature, either a historical, archaeological, environmental, human settlement, that you want to mitigate, and you think the only way to mitigate that is to change the route, move the route, then you also have to provide me all your supporting information that you want me All the things that you want me to consider. Why is this important, why does this warrant being included in the scope of the document and then being evaluated in the document. wanted to help you go over that. I want to go through some examples.

Okay. To sort of help you get over that, to understand where that bar is at and what kind of information I'll be looking for and what examples

I've done in the past, I just wanted to run through some examples.

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This is a transmission line, a 115 kV line that was proposed to go from Tower to Embarrass. The original proposal, just like you see MP come in with an application and they have their route, their proposed route on it, this particular utility came in and they had a proposed route that went up the east side of, I think that's 135 there. We had scoping meetings just like I'm having now and there were a group of individual landowners that lived right here that had property set back from the road, on the east side of the road. transmission line would run between their house and And they were concerned about that, and they 135. knew that there was a huge tract of land just to the east of them that was all tax forfeited. asked me, Bill, would you consider evaluating a route that goes behind our property and goes through that public land, through that tax-forfeited land. Their rationale being we think it's better to use public property when it's available rather than private property. That made sense to me and I recommended that that go into the scope of the environmental document, it did go in the scope of

the environmental document, and when the process ran its course, the environmental document being released, the public hearing, and the final decision at the Commission, the Commission did grant a route permit and did require the applicant to go through that public property there on this instance.

Another example would be -- this is another transmission line, this is a rebuild line. Where the purple line is, this is going through Chaska, there was a 69 kV line, sort of a small line, 69 kV lines are almost distribution lines, they are small lines that go through there. Well, the utility wanted to upgrade that to a 115 kV line, so a bigger line, bigger pole, a little bit more wider right-of-way. And there was a group of citizens who were concerned about a property that was right here that was historical property, it was on the historical register, historical property. They felt that the taller poles and the wider easement would negatively affect this property.

So they came -- during the scoping meeting they came to me and they said, Bill, this is our concern, can we offer you two suggestions or two alternatives to consider in your environmental document that will mitigate this concern of ours.

And they suggested, you can see the light line here, that's the route. That's what the utility was requesting. That's where we talked about the route is wide. The right-of-way that they want, since it's a rebuild, they wanted to go right down the same right-of-way, that small 75-feet, 100-feet right-of-way.

The citizens asked me to look at an alternative route route segment, this is an alternative route that came out of the proposed route, so left the proposed route and went back and then joined back up there avoiding this historical property. They also said, well, in addition to studying that, Bill, would you study an alignment modification, staying within the route but just pushing the line on the other side of the road.

Through scoping, this made sense to me.

They're concerned about impact on the historic property, we haven't fleshed that out yet, we don't know all the information about that. So I recommended that that go into the scoping decision. It made it into the scoping decision and it was evaluated in the environmental document. Now, the environmental document was released, we had a public hearing, and at the end the Commission, evaluating

the whole record, the environmental impact statement just being a portion of it, they granted a permit for the rebuild right where the utility wanted.

They didn't think that the impact to the historical property was significant enough to grant an alternative route segment in this case.

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Another example. This is near Floodwood, I do believe. A transmission line, a 115 in the blue, and the blue, the lower one there, a 115 kV line proposed to travel along the south side of this county road. This goes on for quite a ways, so it goes on, so it's a little bit more significant than this makes it look, but there were a bunch of private landowners here with homes near the road here, those people, when we went to scoping, came to me and said, Bill, you know, we got landowners all along the south side of the road, but the north side of the road, that's all corporate land, that's paper land, that's land that the paper company owns, nobody lives on that. Can we give you an alternative route for you to consider the impacts of moving that line to the north side of that road. Again, this was a private versus corporate land issue.

It made sense for me, so I recommended to

the scope, in the scope, it made it in the scope, and then it was studied in the environmental report. The environmental report came out, we had the public hearing. The final decision, the Commission did think that that was a rational thing to do and they granted the permit for the transmission line to travel along the north side of that road to accommodate those people's concern.

Another example. This might be near Floodwood also. This is another 115 kV line, it was a rebuild coming up along the west side of this county road. And there was a property owner here who had a memorial site just outside the right-of-way of the existing 69 kV line. Now, the utility wanted to upgrade this line to a 115, which would widen the right-of-way a little bit, a little taller poles. And these people were concerned that it may impact their memorial, you know. They came to me during scoping with that.

That made sense to me to include it in the scope so it could be evaluated in the EIS. We did that. It made it in the scope, we evaluated it in the environmental document, went through a public hearing. And at the end, the Commission, when they looked at all the information about where the

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memorial was, how many feet it was going to be away from the new right-of-way, and we did some photo renditions to what it would look like. Commission felt that the impact wasn't significant enough to the memorial to warrant that alternative and so they permitted the line on the west side of the road the way the utility had requested.

Another example. I think this is the Just trying to give you an idea of what last one. this proposing alternatives is all about, and that it has to be -- it can't be, I don't want it on my property just because I don't want it on my property, put it on Joe's property. You're not mitigating the concern there. You have to be mitigating the concern.

In this case there was an existing 69 line that came down here to the south and there was also a County Road 33, 34, that came along here. Somewhere along the history, the county moved the road north. They didn't move the transmission line, it's not theirs, but they realigned that county road and they moved it north.

Well, years later the utility comes around and they want to upgrade this 69 line to a 115. The landowners along here came to me and said, well, Bill, if they're going to do that and this county road has been realigned, why don't we realign the new transmission line, the 115, with that road so it's back to the right-of-way of the road.

Again, that made sense to me, again I recommended it be included in scope, it was included in the scope. The environmental document evaluated its impacts, we went to the public hearing, and in the end the Commission did agree that moving that transmission line to the right-of-way of the road to realign those two things made sense and that's the decision they made in the permit.

So that's -- I always feel that the public struggles with how do I come up with a proposal, how do I do this. And this was just to give you an idea of this is what I'm looking for, this is -- you need to have an issue that you're mitigating and then you need to provide me the supporting information of how you're going to do that.

And, again, we do have two GIS stations set up here, so that if you have that in mind now, you can, after we break here after questions, you can work with the GIS guys and they can help you look at your area, pull it in from an aerial

photograph, help you design an alternative route concept, print it out with your comments on it, and that can be submitted in the record and I will consider whether that should be included in the scope or not. So that's why I went through all those slides in that area.

So another point I want to make to you is that I don't work in isolation. When we do an environmental impact statement or an environmental assessment or an environmental report, these various environmental documents that we have to generate associated with these energy projects, I work with the downstream agencies that are also going to be involved. The DNR, the Department of Transportation, the Pollution Control Agency, any agency that may have downstream permitting authority.

As you saw on Dave's slide, they may have to get a public lands crossing permit from the DNR. They may have to get a road crossing permit from Department of Transportation. These agencies are required by statute to participate with me in developing not only the scope but the environmental document as we move forward. And that's just a graphic that shows the various agencies that are

involved. Downstream permits, Dave covered that.

Our information. The Department of Commerce maintains a website where we also maintain the documents that will be generated during this process. You can find the documents on that website. So you have multiple choices of where to find information on this project. You can go to the Department of Commerce's website, which will have all the public comments I receive, all the agency comments I receive, the scoping decision, my recommendation on the scoping decision, all that stuff will be put on our website.

That stuff will also show up on the Department of Commerce's eDockets, or Public Utilities Commission eDockets website. And because we are doing a joint environmental impact statement on this case, the Department of Commerce and the DOE, Department of Energy, have established a website, too, where we're going to post information.

But the important part is I'm here to seek this input on what you want me to cover in the environmental report. Your comments need to be submitted to me or to Julie by August 15. Our deadlines are a little different. You'll notice that Julie's deadline for the feds was August 12th,

ours is August 15th. The August 15th deadline is fine, Julie will accommodate that as well.

You can send your comments to me through the mail, e-mail, fax. You can also do it on our website and make a comment if you want. You can comment tonight with the court reporter. As you know -- what did I do with them? I took yellow cards from people to have them speak on the record tonight. But you do have until August 15th to get your comments in to me. Those can be comments on what issues or concerns you want to make sure I cover in the environmental impact statement and what alternatives you want to make sure I cover in the environmental impact statement.

So, with that, I'm going to open it up to the public to get your comments. I do this by calling on the cards. When I call your name, I ask that you stand up, state and spell your name for the court reporter, you know, sort of face her a little bit if you can so she can see what you're saying. And then if you have a comment, give it. If you have a question, state your question, and then I will direct it to either Tracy, Jim at MP, or Julie, depending on what the question is.

Okay. And, again, thanks for coming out.

1 The first person on my list is William Gray. 2 MR. RYAN REED: Bill, can I interrupt 3 4 just for a second. Just in case anybody has any 5 questions of the DNR, I'm here to represent DNR. Μy name is Ryan Reed, I'm out of Grand Rapids, and I 6 coordinate the environmental review that the DNR is 7 8 participating in. So that's it. 9 MR. BILL STORM: Thank you. 10 Like I said, I don't do this in 11 isolation. The DNR, the DOT, the Department of 12 Health, the Pollution Control Agency, they all have 13 input in this process for me. 14 William Gray. Okay. 15 MR. WILLIAM GRAY: William Gray, 16 W-I-L-I-A-M, G-R-A-Y. 17 I want to address the alternate route 18 south of Littlefork that used to be in 19 consideration. 20 I have a private airport that I've had 21 since 1968 there and still operate. I'm a flight 22 instructor, mechanic, inspector. I've done flight 23 training out of it. One of my students is here 24 today and will be talking to you.

Jim is pointing at it right there.

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It -- if the line should ultimately determine to be there, that would be right in the landing pattern of my airport and -- which would be a God-awful safety hazard.

I have reasonable amount of traffic in there in the summertime, students, ex-students come in to visit me, it's just a fun thing to have. I've rebuilt planes. It's still very active. And I have two planes myself placed there now. My son has a plane in there right now for maintenance.

And I would hope that you would not put that back in the mix and end up putting it there. In addition to me, there are a lot of congestion of hunting cabins, if you will, that are along that old railroad grade that runs all the way from Littlefork to Deer River. And you're missing them, also.

And I have no problem with the blue route, the blue route I think is great, it's far enough away from me and I think it should be okay.

It would be a really, really big issue for me if somehow they changed the blue route back into that alternative south of Littlefork.

Thank you.

 $\mbox{MR. BILL STORM: Okay. William, what I} \\ \mbox{can say to your comment is when we do the EIS, and} \\$

the EIS will evaluate the impacts to the human and the natural environment for both the orange, the blue, and these alternatives on there. airport and the potential impact to your airport will be noted on that environmental impact statement for that -- is that C-2 or 1, one of them, the So the information will be captured in the route. environmental document.

I would also recommend that when we're back up here for the hearing with the ALJ that you reiterate your concern to the ALJ, and you show your support for one of the alternative routes that doesn't directly impact your airport.

Do you have anything you want to add, Jim?

MR. JIM ATKINSON: I just want to add to Bill's comments that the blue route, if you compared from coming through, it's about 13.2 miles shorter as well, and it affects really zero seasonal or permanent residences, where the alternate route segment that he wants us to not use affects several. So in fairly close proximity to several homes and cabins.

MR. WILLIAM GRAY: Also, Bill, that's not a designated state airport, it's a private strip.

MR. BILL STORM: I realize that. 1 And we 2 are aware that we have several of them to make sure that we, you know, my job is to make sure that the 3 4 environmental impact statement lays out all the 5 information, lays out the landscape for the Commission so they have all the information. 6 Robert Oveson. 7 MR. ROBERT OVESON: 8 Okay. 9 MR. BILL STORM: Please state and spell 10 your name. 11 MR. ROBERT OVESON: Sure. Robert Oveson, 12 0-V, as in Victor, E-S-O-N. And, gosh, I'd like to 13 start with a couple of questions. And the first one 14 might go to DNR folks, but it could possibly be 15 answered by Minnesota Power as well. 16 Is there anything you can share with me 17 regarding the position or any information from the 18 DNR on how they might affect this process? 19 they weighed in in any way at all yet? 20 MR. BILL STORM: I can tell you from the 21 DOC standpoint, when an application comes in to the 22 Commission, we at the DOC make sure that the 23 downstream agencies, the DNR, the PCA, the DOT, they 24 get a copy of the application and they get an 25 invitation to participate in the process.

They are currently working on assembling comments. They've reviewed the document and they are assembling comments to submit during the scoping process. And they will do that. They will submit comments with their concerns in their areas of interest for the routes and the route alternatives. That's not where their participation stops, though. They also will comment on the draft environmental impact statement and I anticipate that they will also comment during the public hearing to express their interest, but I'll let the DNR speak to that, if you'd like.

MR. RYAN REED: Sure. Well, we participated quite some time ago during the early coordination phase, we call it, and with Jim and other folks at Minnesota Power. I don't know, was that like two years ago, maybe?

MR. JIM ATKINSON: Yeah, we've been at it for a couple years.

MR. RYAN REED: So we've basically highlighted areas of concern that the DNR would have. These might be certain types of lands that we're concerned about, rare species, things that the DNR -- you know, information that they need to know when they're looking for routes. Streams, other,

you know, natural features that they would have to 2 cross, and any of the potential ramifications or what process they would have to go through to either 3 4 go around or go through those properties or those 5 resources. So, yeah, there has been a fair amount of communication, you know, throughout already. 6

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MR. BILL STORM: And I might add that now that the -- like he said, a lot of upfront work was done, coordinating between the applicant and the downstream permitting agencies. Now that the official process has started, as the comments come in, once the comment period is over, I know I will get comments from Jamie Schrenzel -- that's sort of the DNR coordinator down in St. Paul and she coordinates all the comments for the district offices -- I know she'll be putting comments into the record and you'll be able to see them, they will be on the various websites.

MR. RYAN REED: I don't know, Jim, do you have any more to add to that?

MR. JIM ATKINSON: I guess to say that DNR always has a position on these things and they will certainly make it known.

The other thing is that maybe just to speak a little bit to the diversity of interests

that the DNR has, everything from looking out for the mining industry to concern for endangered species. So it's a lot of different things that get funneled into one big, probably many pages long, comment at the end.

MR. ROBERT OVESON: Okay. And maybe I'll try to ask my question more directly. Is the DNR at this time planning any changes to the blue or orange route?

MR. RYAN REED: Not that I'm aware of. But we vet that through the different divisions within DNR. We have asked for different route configurations in the past for resource reviews, so Minnesota Power has provided that back to us. I'm not sure yet if we'll continue to ask for additional routes, but we need to vet that to forestry, we've got minerals, we've got wildlife, we've got waters, so we have all these divisions that have to weigh in yet, and we'll wait throughout the comment period before we make that decision in August.

MR. BILL STORM: I can certainly say for past cases that I've dealt with, past transmission lines, the DNR has definitely been active, they definitely participate in scoping, as well as participating upfront when the application comes in.

And I have had the DNR recommend comments, they can recommend comments on minor adjustments within a We've certainly had that, we've had people come in with a 1,000-foot route or a 2,000-foot route and an anticipated alignment, and there being -- not within the whole route, but within a portion of that anticipated alignment -- a DNR issue, a DNR concern.

The one I can think of is a deer wintering area. And what we did or what the Commission did after our recommendation was in the permit, they issued the permit for the route, but for that section or quarter of land that the DNR was concerned about, they required as a permit condition that that alignment be shifted as far east in that route as possible to avoid that deer wintering area.

So those sort of things do happen with input from DNR.

MR. JIM ATKINSON: Yeah, and also common is, in some circumstances, certain types of mitigation that might be in the DNR's comments as well.

MR. BILL STORM: For sure. We get -there is some standard comments that we get from the
DNR that are what we would call best management

practices comments that help mitigate the impacts of construction. One would be the use of biodegradeable mesh netting when they are doing the erosion control so it breaks down so things aren't caught in it. They may ask for a biological survey along certain segments of the route if they're concerned that the habitat is favorable for some species they're concerned about. They may recommend through us to the Commission that a permit condition be ahead of construction do a plant survey in this area because they're concerned about a certain plant. So those things do happen.

MR. ROBERT OVESON: Okay. And I think it would be -- I hope it's understandable that for an affected landowner, the DNR kind of represents the wild card. You know, the thought being that they might have a fair bit of sway in determining a route. And the earlier we know about, you know, where the DNR might affect the route, the better. Because that seems like it could kind of reset the whole process if we -- if late information came in on a route and it changed the route.

MR. RYAN REED: I think some of the fatal flaws with a lot of the layers of information that we've provided, or Dave accessed, to try to avoid

those types of places where, you know, it's a poor choice because of, you know, this or that, or a statute that don't allow crossing certain areas.

Now we're probably getting into more of a, you know, I'd rather have you go here because it's, you know, like Bill mentioned, a deer wintering area or maybe some waterfowl protection area. You know, something that we feel -- or a forestry resource, that we feel that it's, you know, it would be better if you went here instead of the existing alignment. And Bill I think went through that already, I think there's, you know, it might be a better choice.

But I think you have equal standing on, you know, if you got property, if you have a concern and you have good reason not to suggest an alternative route, you know, a pretty good standing as well as the DNR does on those kind of issues.

MR. ROBERT OVESON: Okay.

MR. BILL STORM: You can certainly -- as he said, you have the same standing. You can put some alternatives on the table. If you have, like I say, if you had a concern or something unique about a piece of property that you're interested in, whether you own the property or not that the route

goes through, this is your opportunity to give me alternatives.

If you don't think your issue or concern could be mitigated by moving the alignment within that route or by best management practices, you know, building in the winter or other stuff. If you think, well, geez, the only way I can think of to avoid the impact of what I'm concerned is you have to go outside the proposed route. You have the option of putting that on the table, you know.

MR. ROBERT OVESON: Okay.

MR. BILL STORM: It is certainly -- this whole process, my role in this whole process is to lay out all the facts because there are competing interests, you know. And the way I view my job is I want everybody -- every competing interest to be laid out factually. So then the Commission, it's the Commission's role to how they're going to weigh those competing interests, you know.

MR. ROBERT OVESON: Okay. Thanks.

So my next question I have, maybe Jim, you could help me a little bit. I want to be clear in differentiating between, I think we're calling it the Littlefork bypass.

MR. JIM ATKINSON: That's our own

internal terminology.

MR. ROBERT OVESON: All right. The one that was proposed and followed in 2013, which is different from the blue route.

MR. JIM ATKINSON: Correct.

MR. ROBERT OVESON: How can I -- can we talk about that as a follow the 2013 route versus the blue route? How can we be clear as we talk about those?

MR. JIM ATKINSON: I guess maybe I can just talk about that. In the fall of 2013 we had a route segment that did go -- that did bypass the Littlefork area, but it went in substantially further to the east and the north. And it did that to stay within our original notice area. And then in hindsight it was decided that, you know, if we're going to do that, we could go outside of our notice area, because there really isn't anyone out here and we can do some additional notifications and we can make it even better. So this is probably five to seven miles further to the south and the west than what we originally had as our Littlefork bypass.

MR. BILL STORM: And your concern, sir, is the -- don't let me put words in your mouth, I'm just trying to understand. This Littlefork bypass,

are you saying that you think that was better than where they ended up now?

MR. ROBERT OVESON: I'm saying where we ended up now is better than to follow 2013.

MR. BILL STORM: Which was this thing Jim just described?

MR. ROBERT OVESON: Yep. And I want to give reasons for that.

MR. BILL STORM: Okay. What I'd recommend, there are several steps in this process. The step we're in now is I'm trying to take scoping comments on what issues and concerns people are concerned about and what alternatives you want me to evaluate.

Once the draft environmental impact statement is done and the final is almost being written, we'll be back up here for the public hearing. And the public hearing is, what's being solicited from the public is we want to know -- we're not worried about scoping and that, what we want to know is how you feel about the whole record. And that to me is the more appropriate spot for someone to say, I prefer this route over this route. Because all the information is then already -- it's on the table at that point and we're in front of the

judge, and it seems more appropriate to me that if -- if your concern tonight is I don't want this route coming back on the table --

MR. ROBERT OVESON: Yeah, that's it.

MR. BILL STORM: That's your concern tonight, you can certainly state it, and you just did, it's in the record now. But that's probably a more appropriate comment to be made at the public hearing. Because when we go to the public hearing the judge is going to be taking comments on everything, on the whole record up to date, and then he's going to be making a report of facts, findings, and recommendations. And your concern will be noted in his report and his findings, you know.

I don't think -- unless somebody steps forward through the process during scoping that says, Bill, I think you should study this route. You know, somebody could do that. Somebody could say that, and I might look at it and say, well, they did look at it, let's look at it more. And then this would move forward.

But if we come out of scoping with these two routes, these alternatives and maybe a handful of little changes that people have been recommending during these two weeks, but this doesn't make it

back on the table, then that's off the table. 1 MR. ROBERT OVESON: 2 Okay. If it's all right, I'd still like to explore that a bit. 3 4 MR. BILL STORM: Okay. 5 MR. ROBERT OVESON: So I'm representing the landowners, a group of landowners, as is Joanne 6 7 Cockrun here, that had objection to that fall 2013 8 But we had good communications with Jim route. 9 Atkinson and the new route, you know, relieves those 10 concerns. So the reason -- that move really was in, 11 you know, shared public land versus private, there's 12 a lot of private land by that fall 2013 route, 13 whereas, I'm not aware -- I won't speak for them, I 14 know there's less or maybe none on the current 15 route. 16 But we also -- so we drafted a letter to 17 the Koochiching County Board. Is it possible that 18 that letter becomes part of what you address as you 19 work on your report? Are we able to connect that? 20 MR. BILL STORM: You can certainly --21 during the comment period you can certainly submit a 22 comment to me and attach that letter to your comment 23 and say I want that to be in the record, you know. 24 MR. ROBERT OVESON: Okav. 25 MR. BILL STORM: Whether it'll be --

there is a section in the environmental report that requires us to discuss alternatives that were put on the table at some point and then taken off.

MR. ROBERT OVESON: Okay.

MR. BILL STORM: So this route, and I'll have to talk to Julie about this, but this route may fall in that category. We may view that, once the comment period closes and if nobody throws this route back on the table, if nobody -- like tomorrow somebody could stand and say, Bill, I remember when they were back here and I actually like this route for whatever reason, could you please carry that route forward. That may be a valid thing for me to do.

But let's say that doesn't happen, the rationale and discussion of why this route was at one time considered and rejected, that could be handled in the EIS under that section that requires us to have a discussion -- not a full evaluation, but a discussion of routes that were once considered and no longer considered, why are they no longer considered.

MR. ROBERT OVESON: Okay.

 $$\operatorname{MR}.$$ BILL STORM: So it could be captured that way.

1 MR. ROBERT OVESON: Okav. If it's all right, I'll look through my notes a bit here. 2 MR. BILL STORM: Go for it. 3 4 MR. ROBERT OVESON: Would your report 5 address the Bigfork River Development Plan? Are you aware of that document? 6 MR. BILL STORM: I'm not aware of the 7 Bigfork River Development Plan. 8 MR. ROBERT OVESON: It's available on the 9 10 Itasca County website. It was, I think, released in 11 1992, it was updated in 2005, the 2005 version. 12 MR. BILL STORM: And your concern? Okay. 13 MR. ROBERT OVESON: The concern --14 MR. BILL STORM: In the context of this 15 transmission line, what is your concern? 16 MR. ROBERT OVESON: That wherever we 17 cross the Bigfork, we address the concerns of that 18 Bigfork River Development Plan. So that will 19 encourage minimizing harmful scenic -- it addresses 20 the archeology. It addresses different aspects and 21 goals of -- for managing development in the Bigfork 22 River corridor. And it was -- it was -- Minnesota 23 Power was involved in the development of that 24 Bigfork River plan. 25 MR. BILL STORM: Okay. Certainly. Ιn

the environmental document, if you're going to make
additional comments after tonight, I would encourage
you to reference that so that we capture that in the
environmental document, so that we're aware of that
plan, you know. So that we can talk about that, the
route in the context of that plan. Sure, we can do
that.

DR. JULIE ANN SMITH: And if I may elaborate. If particularly you're talking about actions that would be stemming from that plan in terms of economic development or any of those types of actions, as I mentioned, reasonably foreseeable, so if the plan lays out certain things that are, you know, for the Bigfork River development, it is incumbent on us in that sort of cumulative impacts, indirect impacts, consideration in the environmental review document to look at things like that that you're mentioning.

MR. ROBERT OVESON: Okay. Gosh, I think I've covered what I can here. I can follow up with a website comment.

MR. BILL STORM: Like I say, you can certainly submit your comment through the website, e-mail or snail mail them to me or Julie. We are sharing the comments. So if you send a comment to

Julie, you don't have to send it to multiple places. If you send it to one of the places -- me, Julie, our website or the fed website -- it'll get captured. So you -- don't worry that you have to send it to everybody. You can if you want, but certainly, in addition to the comments you made tonight, I would encourage you to submit written comments before the comment period.

MR. ROBERT OVESON: Okay. I will have a list of reasons to -- that defer us from going back to that fall of 2013 route, which include, you know, the fact that it paralleled the river and added harmful effects to the river corridor. It affected grave sites in the area. And the fact that there's a lot of bicyclists, canoeists that use that portion of the river, so we want to minimize effects on the river, is what my comments will cover.

MR. BILL STORM: And, like I said, we will certainly cover that Bigfork, whatever we're calling it, the Bigfork option. If no one throws it back on the table during the scoping period, it will certainly be covered as a route alternative that was considered and rejected and then we'll have all the details of why. If somebody throws it back on the table, and I haven't heard anything like that, but

if somebody throws it back on the table and I read 1 their rationale and it makes sense to me and we do 2 3 put it in scope, then it will be in play again and 4 will be fully evaluated in the EIS and then it would 5 be subject to comment during the public hearing. MR. ROBERT OVESON: 6 Okav. 7 MR. BILL STORM: But at this point it's not on the table, so. 8 9 MR. ROBERT OVESON: Okay. 10 MR. BILL STORM: Anything you want to 11 add, Jim? 12 MR. JIM ATKINSON: Just that we avoided 13 putting that into the route permit because we found 14 this to be far superior, in particular the crossing 15 of the river was much better at that point. 16 MR. ROBERT OVESON: Okay, good. Thanks. 17 MR. BILL STORM: Is that it? 18 MR. ROBERT OVESON: Yes, it is. 19 MR. BILL STORM: Well, thank you very 20 much. 21 Byron Fiedler. 22 MR. BYRON FIEDLER: Fiedler, F-I-E-D-L-E-R, Byron. And, first of all, I'd like 23 24 to say I support either the blue or the yellow 25 However, as a pilot, I will utilize the routes.

1	Bill Gray airstrip, and I am concerned about the
2	safety of flight if the southern route from
3	Littlefork is somehow determined to be an acceptable
4	route.
5	MR. BILL STORM: Just for my
6	clarification, is that this section of the blue
7	route again?
8	MR. BYRON FIEDLER: No, this one that
9	goes straight from Littlefork.
10	MR. JIM ATKINSON: No. Straight
11	north-south.
12	MR. BILL STORM: Okay. Got it. Thank
13	you.
14	MR. BYRON FIEDLER: Thank you.
15	MR. BILL STORM: And that alternative, I
16	can't remember if it's C-1 or C-2, that will be
17	discussed in the that will be evaluated in the
18	environmental impact statement, and the presence of
19	that airport will be noted and the potential impacts
20	to it would be fleshed out and discussed.
21	MR. BYRON FIEDLER: Okay. Thank you.
22	MR. BILL STORM: Mike Hanson.
23	MR. MIKE HANSON: My name is Mike Hanson,
24	I'm with Northstar Electric.
25	MR. BILL STORM: Spell your name, please?

1 MR. MIKE HANSON: I'm sorry?

MR. BILL STORM: Spell your name?

MR. MIKE HANSON: H-A-N-S-O-N.

I just have some real cursory questions here and a comment prior to that, and that's Mr. Atkinson, I've had the opportunity to chat with him not only over the phone, but by e-mail, and he has been very forthcoming and helpful and I would like to have that part of the record.

My questions are easy. Are local zoning permits needed? I'm curious about if hydro is considered renewable in Minnesota? And I'm wondering, how is Manitoba Hydro, their permitting process going at the same time?

MR. DAVID MOELLER: Thanks for your questions.

On the first one on the zoning permits, there may be some minor permits here and there for crossings of roads or other things that we might have to get from the county, but the state route permit preempts all local zoning permits, or all local construction zoning permits for the most part. There might be an exception here or there so I won't say it's a blanket statement, but under state statute there's a preemption so the only route or

building permit we really need is from the state.

On the hydro renewable question, under Minnesota law right now only hydro facilities that are 100 megawatts or less in capacity count towards the Minnesota Renewable Energy Standard. And so Minnesota Power is counting the smaller Manitoba Hydro units under an existing purchase agreement we have towards that, it's not a lot, and most of their units at Manitoba Hydro exceed the 100 megawatt capacity threshold.

I will say in Wisconsin they allow new Manitoba Hydro facilities to count towards the Wisconsin Renewable Energy Standard, so if a utility is buying it from Wisconsin and buying it from a new facility then it would count there. But we also see benefits, though, from just from a renewable standpoint and from a noncarbon renewable standpoint moving forward, especially with new regulations.

And then the status of Manitoba Hydro's facilities, yesterday we actually started construction on a kiosk type of facility, we dropped the first rock in the river, and so that's a 695 megawatt facility, that will be one of the primary ways to serve our Minnesota Power power purchase agreement. And it will be in service in probably

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2019 or 2020. And they also need to build transmission on their side of the border since we don't want to stop at the border, and they've gone through multiple rounds of open houses in consultation. They haven't filed for the formal permits for their transmission line because their process, or process, as they call it in Canada, is slightly slower and has different -- they do a lot of environmental review internally first and then submit it to their respective government agencies, versus here we file applications and then we go through the steps in coordination with the government agencies. But we still are anticipating starting construction and meeting the 2020 in-service date that Minnesota Power has committed to.

I will say also that the Province of Manitoba recently issued a report, they call it the N-factor, the need for alternative fuel, that said go ahead with the kiosks and go ahead with the new transmission lines. From a financing and public interest standpoint, we will still need to get all the environmental permits, but we did get that initial approval from the government of Manitoba.

MR. MIKE HANSON: So this isn't

1 considered a renewable project in Minnesota because of the size of the project? 2 MR. DAVID MOELLER: Because of the size 3 4 of the capacity of the generators in Manitoba. 5 MR. MIKE HANSON: Thank you. Thank you, sir. 6 7 MR. BILL STORM: Okay. I'm through the 8 cards. Anybody else want to speak or want to touch back on something? 9 10 Sure. MS. JOANNE COCKRUN: My name is Joanne 11 12 Cockrun, C-O-C-K-R-U-N. I'd like to know, we talked about natural 13 14 gas development, how does that project in this area 15 of Minnesota compare dollar-wise or effort-wise with 16 this power line? Anybody know? 17 MR. DAVID MOELLER: I can -- this is 18 David Moeller. I can try to -- I mean, on a high 19 level we're looking at natural gas alternatives to 20 add natural gas to Minnesota Power's system. And 21 that would be considered as part of our resource 22 plan, as part of, if we were going to build in Minnesota, we would need a certificate of need 23 24 application and a similar process as well.

From a cost standpoint, I mean, hydro we

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think is probably a better deal just because of the renewable aspects of it, the noncarbon aspects of it. The pricing is probably similar, but the type of generation is a little different. Hydro,

Manitoba Hydro is what we call baseload generation.

It's available around the clock when we need it, especially to serve customers that operate the same way.

Gas alternatives are typically more up and down. You build them for when you have peak demands, so you run the generators when you have peak demands. And the pricing on the gas alternative really depends on what the price of natural gas is when you go in the long term.

MS. JOANNE COCKRUN: Well, I know what it costs to heat my house with your electric, and I wish I had natural gas. And that's already in this state. I mean, in the long run, you'd be using something that is already here rather than going out of the country to purchase it.

MR. DAVID MOELLER: There's not natural gas in the state. We'd have to import it from North Dakota or other places. There's pipelines that come through Minnesota, of course, but the gas itself would come either from -- it might even come from

Canada if there's gas being produced up there. But there's not gas resources in the state of Minnesota itself. And there's not coal resources either. So except for wind, which Minnesota Power has done in Minnesota, and some existing hydro, because we were one of the first hydro facilities in the state, there's not a lot of other resources in the state itself.

MR. JIM ATKINSON: And not to forget, a big part of our strategy is to not become overdependent on one type of generation.

MR. DAVID MOELLER: We think the whole basket, you know, everything or an all above strategy is the best.

MS. JOANNE COCKRUN: Okay, thank you.

I'd just like to add one other thing, since I live in the Lindford area and my big concern from the beginning is the impact of the river corridors. I know there's some people here that know this county like the back of their hand, but when I look at this map I might as well be looking out of an airplane at 30,000 feet. I can't see any rivers, I can't see where our scenic roads are. For the next public meeting, could we have a map that --

MR. BILL STORM: Did you get a copy of

1 the application, by any chance? Did you see the 2 application? Do we have an extra copy of the application here? 3 MS. JOANNE COCKRUN: 4 I know it's 5 available on the computer, but I'm snail mail here. MR. BILL STORM: We can get you a hard 6 7 copy, I can send you one from my office or --8 UNIDENTIFIED: We have those maps 9 physically here today for you to look at as well. 10 MS. JOANNE COCKRUN: Okay. Thank you. 11 MR. BILL STORM: But make sure you give 12 me your name and address and I can mail you -- I've 13 got stacks of them in my office, I can mail you one. 14 There's three volumes, and I'll mail you all three. 15 The one that you're -- what was that, Jim? 16 MR. JIM ATKINSON: I said it just about 17 fills a Xerox box. 18 MR. BILL STORM: But the middle volume, 19 which -- Christine, if you can hold it up -- that 20 has very detailed aerial photo maps with USGS maps. 21 You'll be able to find your property and get some 22 good detail from there. MR. JIM ATKINSON: That one doesn't have 23 24 any notes on it or anything. 25 MS. JOANNE COCKRUN: But, I mean, this

map just shows where the river --

MR. BILL STORM: Yeah, this is a pretty high scale map. But before you leave tonight, make sure you jot your name and address down on the card, and on Friday afternoon I'll mail it to you. I mean, like I said, it is available on the website, but a lot of people -- me, I need paper in my hand, too, I don't like to look at a screen. So I can send that to her, Jim, when I get back.

MR. JIM ATKINSON: We think we probably have one here that we can part with.

MS. JOANNE COCKRUN: That's what Rob

Oveson said before. Our concern with that proposed route in the fall of 2013 was that if all of a sudden the DNR decides, no, you're not going to do this, that they'll jump back on the other one. And we don't have as strong a voice as the DNR does.

MR. JIM ATKINSON: I was going to point out that that went across almost nothing but DNR property as well, so I doubt that that will happen.

MR. BILL STORM: And the only thing I would say is that once the comment period is over and me and the DOE digest the comments and we decide what the scope of the document should be of the environmental impact and that scope is released,

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that scope will identify those alternatives that are still on the table and alive, it'll identify those alternatives that have been considered and rejected. But once we get past that scope, the ability for a route to come back on the table is extremely unlikely.

MS. JOANNE COCKRUN: Okay.

MR. RYAN REED: Ryan Reed, Minnesota DNR.

Just for clarification on how we would comment.

The DNR in Minnesota has four regions. This project happens to go through both the northwest and the northeast region. I represent the northeast region, which for the power line here, I believe that's just Koochiching and Itasca Counties. So, you know, to address this gentleman's concern and other concerns about that, you know, I may be speaking just for -- when I speak sometimes just for this region. But there could be other comments in the other region as well that I'm not aware of that could adjust the route maybe, I'm not sure.

But just so you know that there's two regions, there will be two regions commenting, but that letter will come together as one letter and that will come out of St. Paul. We'll send our comments to Jamie Schrenzel in St. Paul and then

there will be one letter that addresses DNR concerns. So I don't know if that helps.

MR. BILL STORM: Thank you very much.

Okay. Anyone else?

Okay. Like I said, your comments are due August 15th. We have the GIS guys here, use them, even if you just want to use them just to look around and you're not at the point where you want to make alternatives or not, go ahead and use that resource this afternoon while we're here.

I appreciate you guys coming out. My contact information is on just about everything that's on those tables. You can call me any time. If you're struggling with a comment or struggling how to approach a comment, or if you want to put an alternative on the table and you're struggling on how to do that, give me a call, I can walk you through that.

DR. JULIE ANN SMITH: And I'd just like to mention, my business cards are also available for you on the table with phone numbers, e-mail, and I encourage you to contact me with any questions about what the Department of Energy's role is in the EIS moving forward.

MR. BILL STORM: Okay. Again, thanks.

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It wouldn't work without people showing up, so I
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          really appreciate it. Have a good evening.
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                       (Meeting concluded at 12:42 p.m.)
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